

Senate Finance Committee Amendment No. 1

Amendment No. 1 to SB0994

**Henry
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 994*

House Bill No. 1605

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-4-1403, is amended by deleting the section in its entirety and by substituting instead the following:

Proceeds received by the municipality from the tax enacted after the effective date of this act must be designated and used as follows: one-third (1/3) for general fund expenditures and two-thirds (2/3) exclusively for the direct promotion of tourist-related activities. Proceeds received by the municipality from any increase to a tax enacted prior to the effective date of this act, which increase is enacted after the effective date of this act, must be designated and used as follows: one-third (1/3) for general fund expenditures and two-thirds (2/3) exclusively for the direct promotion of tourist-related activities.

SECTION 2. Tennessee Code Annotated, Title 67, Chapter 4, Part 14, is amended by adding the following language as a new, appropriately designated section:

§ 67-4-1426. The proceeds of any tax on the privilege of occupancy of a hotel enacted after the effective date of this act must be designated and used as follows: one-third (1/3) for general fund expenditures and two-thirds (2/3) exclusively for the direct promotion of tourist-related activities. The proceeds of any increase to a tax on the privilege of occupancy of a hotel enacted prior to the effective date of this act, which increase is enacted after the effective date of this act, must be designated and used as follows: one-third (1/3) for general fund expenditures and two-thirds (2/3) exclusively for the direct promotion of tourist-related activities.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

